Servus Place Quarterly Report

First Quarter 2010

City of St. Albert
Servus Credit Union Place
Income Statement of Revenue and Expenditures
For the Period Ended March 31, 2010

	2010 Q1 Actual	2010 Q1 Budget	Variance	2010 Approved Budget	YE Forecast	Variance
Memberships	$ 674,199	$ 655,400	$ 18,799	$ 2,317,400	$ 2,337,400	$ 20,000
Admission Fees	327,498	307,600	19,898	1,055,000	1,065,000	10,000
Lesson Fees	193,445	174,500	18,945	741,500	741,500	-
Rentals - Facility	484,479	475,100	9,379	1,522,000	1,522,000	-
Advertising/Sponsorship	133,893	134,400	(507)	565,200	565,200	-
Sale of Goods (Commission & Vending)	25,953	22,600	3,353	83,900	83,900	-
Miscellaneous Revenue	814	-	814	13,800	14,300	500
Total Revenue	**$ 1,840,281**	**$ 1,769,600**	**$ 70,681**	**$ 6,298,800**	**$ 6,329,300**	**$ 30,500**
Personnel Costs	$ 1,014,982	$ 977,600	$ 37,382	$ 3,959,800	$ 3,959,800	$ -
Contracted & General Services	186,728	174,000	12,728	733,400	733,400	-
Utilities	248,566	258,600	(10,034)	846,200	842,000	(4,200)
Materials, Goods & Supplies	88,463	111,500	(23,037)	438,700	438,200	(500)
Internal Debt Payments	-	-	-	-	-	-
Transfer to Reserves	17,993	8,000	9,993	25,000	25,000	-
Transfer to Operations - Aquatics	144,070	184,000	(39,930)	736,600	736,600	-
Transfer to Operations - Public Works	182,316	183,000	(684)	732,100	732,100	-
Total Expenditure	**$ 1,883,118**	**$ 1,896,700**	**$ (13,582)**	**$ 7,471,800**	**$ 7,467,100**	**$ (4,700)**
Net Surplus (Deficit)	**$ (42,837)**	**$ (127,100)**	**$ 84,263**	**$(1,173,000)**	**$ (1,137,800)**	**$ 35,200**
Recovery Rate	98%	93%		84%	85%	
Cost Centre 3171 Revenue	$ 145,364	$ 157,700	$ (12,336)	$ 485,600	$ 485,600	$ -
Cost Centre 3171 Expenses	31,113	33,600	(2,487)	134,100	134,100	-
Operating Surplus (Deficit)	**$ 114,251**	**$ 124,100**	**$ (9,849)**	**$ 351,500**	**$ 351,500**	**$ -**
Total Operating Surplus (Deficit)	**$ 71,414**	**$ (3,000)**	**$ 74,414**	**$ (821,500)**	**$ (786,300)**	**$ 35,200**

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The Servus Place deficit for the first quarter (Q1) 2010 is $42,837. The recovery rate for the first quarter is 98%.

Revenue Analysis

Total revenue for Q1 2010 is $1,840,281. Total revenue variance for Q1 2010 is $70,681 (4.0%) above budget projections.

- Memberships are above budget projections by $18,799 (2.9%).
- Admission Fees are above budget projections by $19,898 (6.5%).
- Lesson Fees are above budget projections by $18,945 (10.9%).
- Rentals - Facility are above budget projections by $9,379 (2.0%)
- Advertising/Sponsorship is below budget projections by $507 (-0.4%)
- Sale of Goods (Commission & Vending) is above budget projections by $3,353 (14.8%)
- Miscellaneous Revenue is above budget projections by $814

Membership

Memberships	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Adult	3,504	3,197	3,259	3,098	161
Child	1,123	788	541	1,012	-470
Family	1,689	1,931	2,173	1,845	329
Senior	678	693	812	582	230
Student	347	502	532	396	137
Youth	562	453	378	505	-127
Total Members	7,903	7,563	7,696	7,437	259
Total Paid Membership Units	6,567	6,008	5,982	5,984	-2
Total Discounted Memberships	1,562	1,816	2,052		
Membership Revenue	$ 590,452	$ 651,942	$ 674,199	$ 655,400	$ 18,799

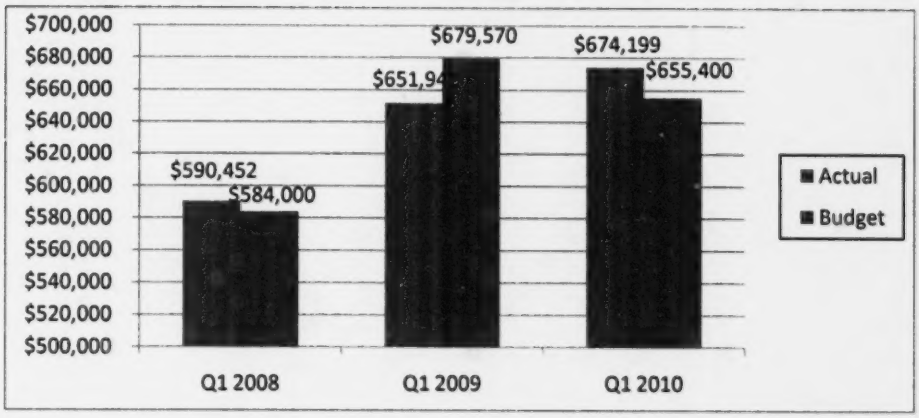
Membership revenue for Q1 2010 is $674,199 which is 2.9% above budget and 3.4% above the first quarter of 2009.

The average number of family membership units per month for Q1 2010 is 459, which equates to 4.7 individual members per family membership unit.

There were 2,052 corporate members in Q1 2010, which is a 13.0% increase over Q1 2009. The corporate members in Q1 2010 make up 26.7% of the total members.

The current trend shows increases in the adult, family, senior and student membership categories. This correspondingly has contributed to overall higher membership revenues.

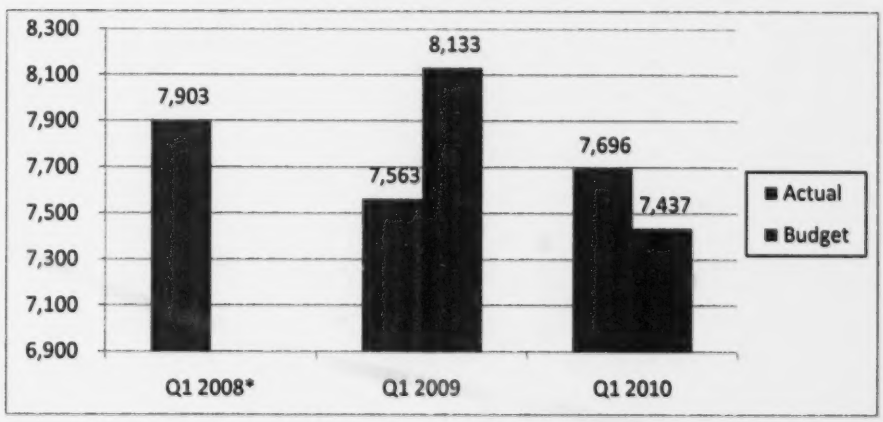
Membership Revenue



The 2010 budget is based on a blended rate of $36.15. The actual blended rate for Q1 2010 is $37.34, which is an increase of $1.17 over the blended rate for Q1 2009 ($36.17) and $7.34 over Q1 2008 ($30.00).

This increase in the blended rate is due in part to the increased numbers in the family, student and adult membership categories as well as a slight rate increase in October of 2009.

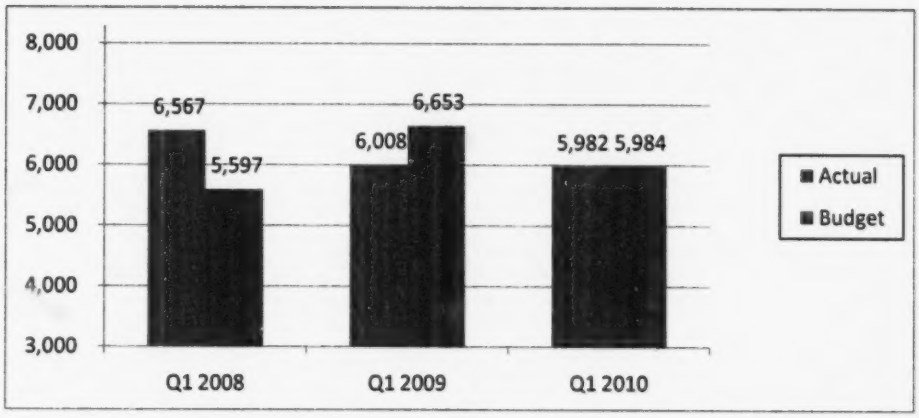
Total Members



*** In 2008, there was no budget for members, only membership units.**

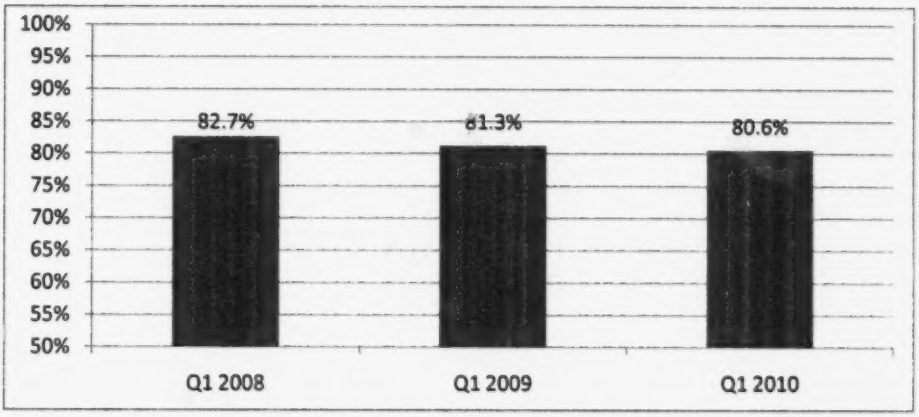
In Q1 2010, there was an average of 7,696 members per month, which is 3.5% above budget and 1.8% above Q1 2009.

Membership Units



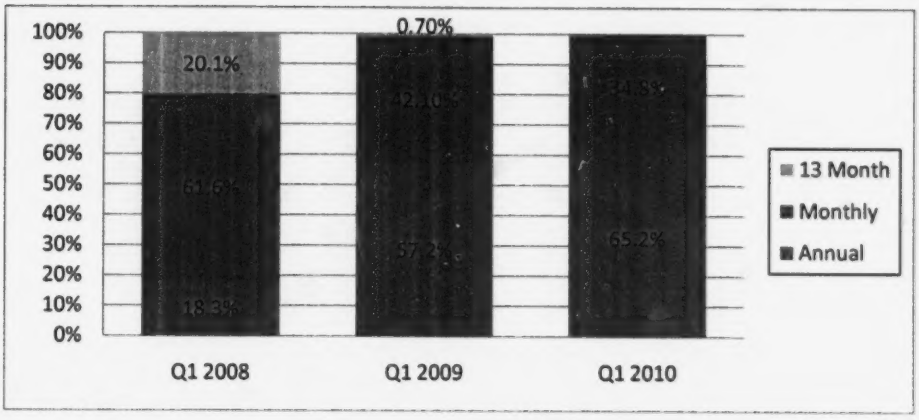
Membership units for Q1 2010 are 5,982, which is equal to budget and Q1 2009.

Percentage of Members who are St. Albert Residents



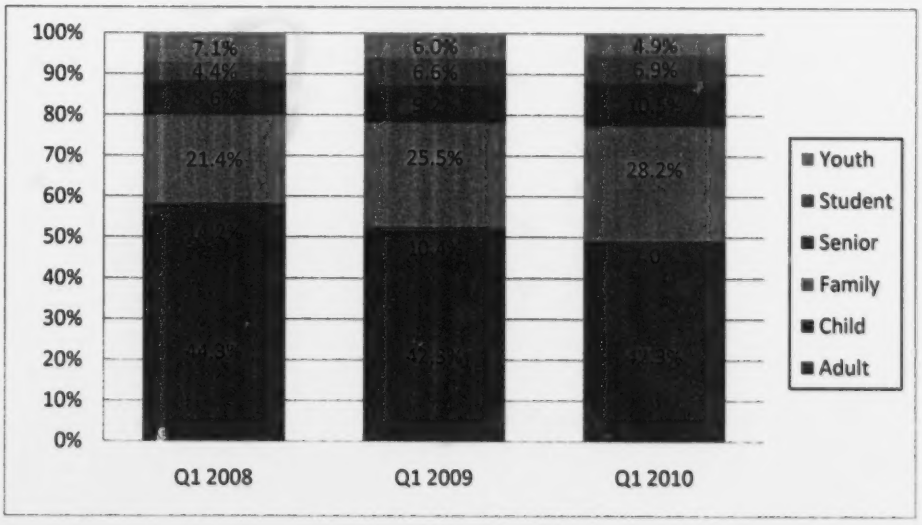
In Q1 2010, the average percentage of members who are St. Albert residents is 80.6%.

Members by Type



In Q1 2010, annual memberships accounted for 65.2% of the total memberships, an 8% increase over Q1 2009, and a 46.9% increase over Q1 2008. Annual membership totals are the key indicators of sustained monthly revenues that contribute, as a large driver, to the facility financial model.

Members by Demographic



In Q1 2010, there has been a 2.7% increase in the number of family members, a 3.4% decrease in the number of child members and a 1.1% decrease in the number of youth members compared to Q1 2009. All other membership categories have remained relatively consistent.

Day Admissions

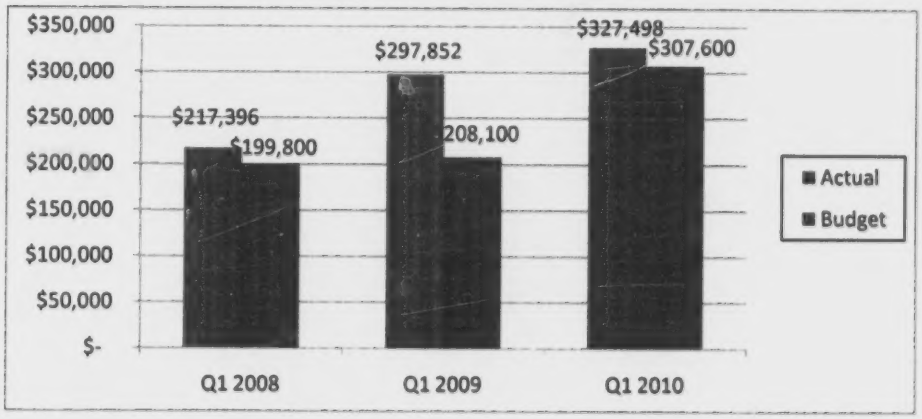
Day Admissions	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Adult	9,439	13,175	13,544	13,468	76
Child	12,116	15,001	17,468	15,392	2,076
Family	3,031	3,623	4,438	3,848	590
Senior	909	1,225	990	1,539	-549
Youth	2,968	4,303	4,976	4,233	743
Total Paid Passes	**28,463**	**37,327**	**41,416**	**38,479**	**2,937**
Total Membership Swipes	89,756	114,335	119,298		
Total Day Uses	118,219	151,662	160,714		
Total Group Discount Passes*	**1,339**	**333**	**101**		
Total Complimentary Passes	**960**	**2,210**	**2,058**		
Paid Pass Revenue	$ 207,803	$ 282,890	$ 314,631	$ 292,000	$ 22,631
Childminding Revenue	$ 9,593	$ 13,013	$ 12,240	$ 12,000	$ 240
Community Drop-In Program Revenue	N/A	$ 1,949	$ 1,278	$ 3,600	$ (2,322)
Total Admission Fees Revenue	**$ 217,396**	**$ 297,852**	**$ 327,498**	**$ 307,600**	**$ 19,898**

* As of July 2010, discounted rate offered to St. Albert school groups of 50% child and 40% youth no longer applies as per the Servus Place Review recommendation. St. Albert Schools now received the large group discount of 10%.

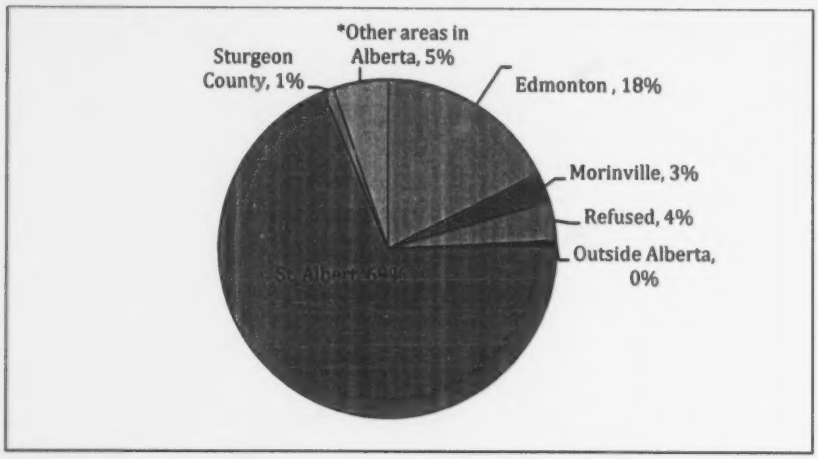
In Q1 2010, day admission revenue is $327,498, which is above budget by 6.5% and 10.0% above Q1 2009.

The day admission blended rate for Q1 2010 is $7.60. This blended rate represents the average admission price per pass. In 2009, Servus Place saw a trend of increased day admission which has continued into Q1 2010.

Day Admission Revenue



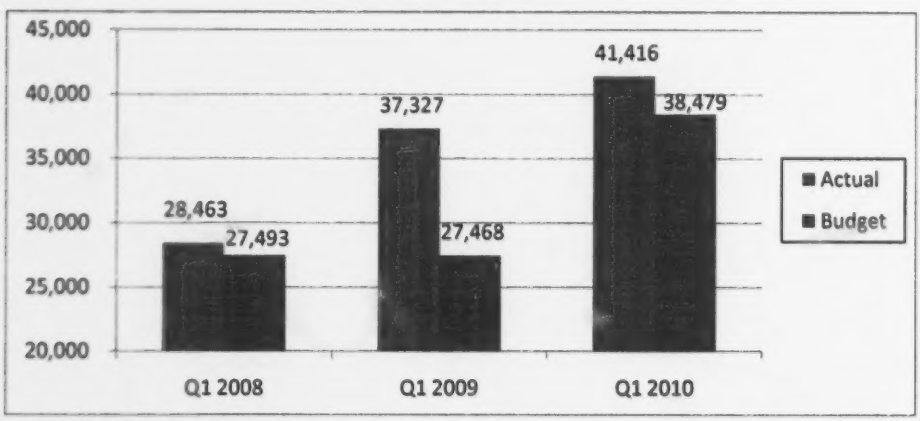
Servus Place Day Admissions – Postal Code Breakdown for Q1 2010



* Other areas of Alberta includes Stony Plain, Fort Saskatchewan, Sherwood Park, Spruce Grove and various locations around Alberta.
**There is no comparison for postal code breakdown due to the fact that Servus Place did not begin tracking postal code information for day passes sold until May of 2009.

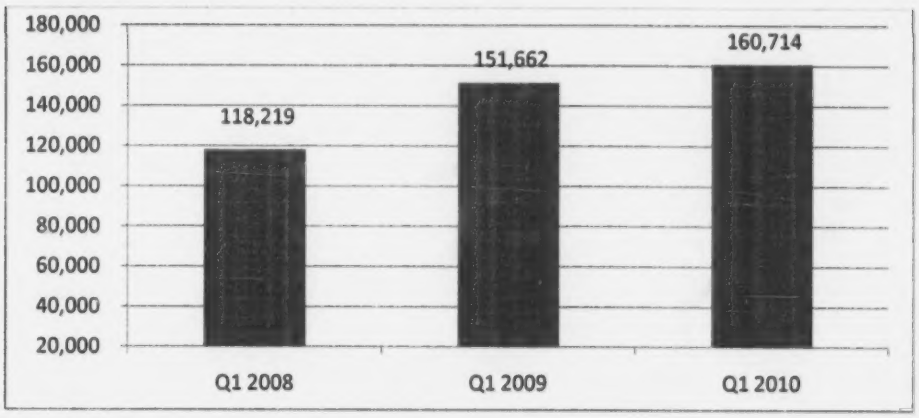
In Q1 2010, 69% of the day users were from St. Albert. There has been a gradual decrease in the number of postal codes that are refused, resulting in a more accurate representation of where the day users are coming from.

Paid Day Passes



In Q1 2010 total paid day passes are 41,416, which is 7.6% above budget and 11.0% above Q1 2009.

Total Day Uses



Total paid day uses for Q1 2010 were 160,714, which is 6.0% over Q1 2009 and 36.0% over Q1 2008.

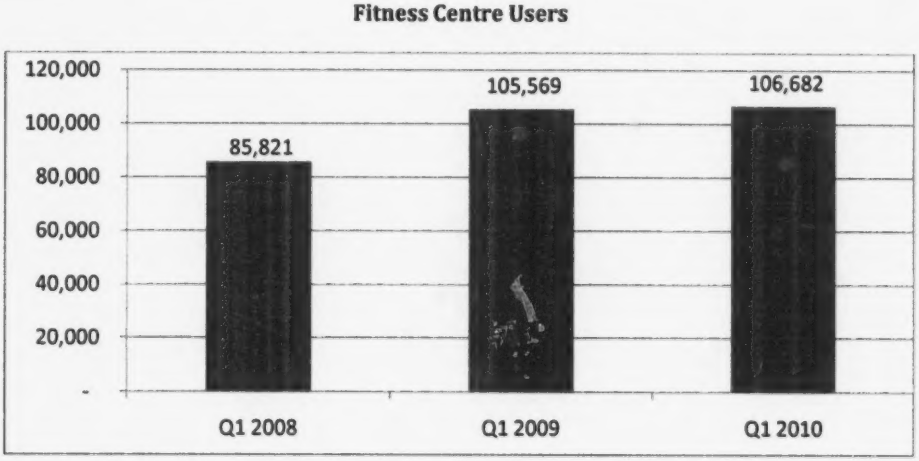
In Q1 2010, the average number of paid day admissions was 1,806 per day. The highest admission day for the quarter was February 15 (Family Day) - 2,311 day uses

Fitness & Wellness Centre

Fitness & Wellness Centre	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual
Fitness Centre Users	85,821	105,569	106,682
Daily Average of Fitness Centre Users	956	1,188	1,152

In Q1 2010, there were 106,682 fitness centre users, which is 1.1% above Q1 2009.

The Fitness & Wellness Centre continues to be well attended with a slight increase over the first quarter of 2009. Peak access times continue to be between 9am-11am and between 4-8pm. The average attendance per hour was 80 individuals per hour between 9:00am – 11:00am and 101 individuals per hour between 4:00pm – 8:00 pm.



Landrex Water Play Park

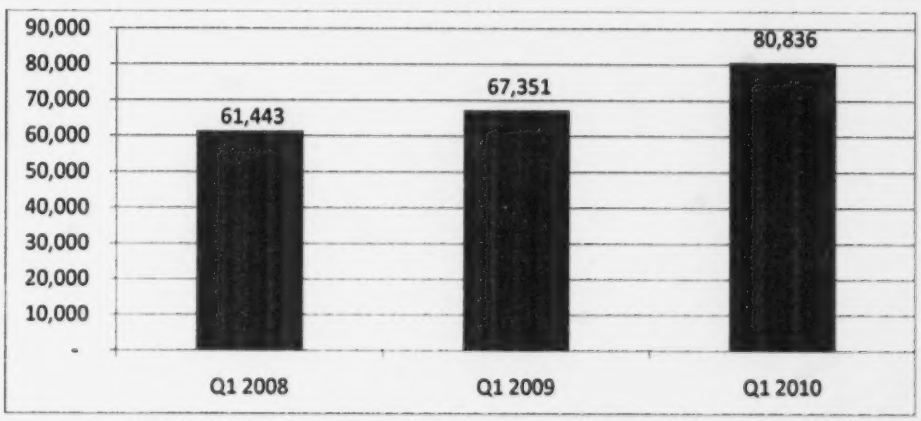
Water Play Centre Use	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual
Water Play Centre Users	61,443	67,351	80,836
Daily Average	N/A	758	898
Servus Place Play Pass Swipes at FPRC	7,926	5,275	6,235
Servus Place Play Pass Swipes at Grosvenor	0	0	0
Total	7,926	5,275	6,235

In Q1 2010, there were 80,836 users of the Water Play Centre, an increase of 20.0% from Q1 2009.

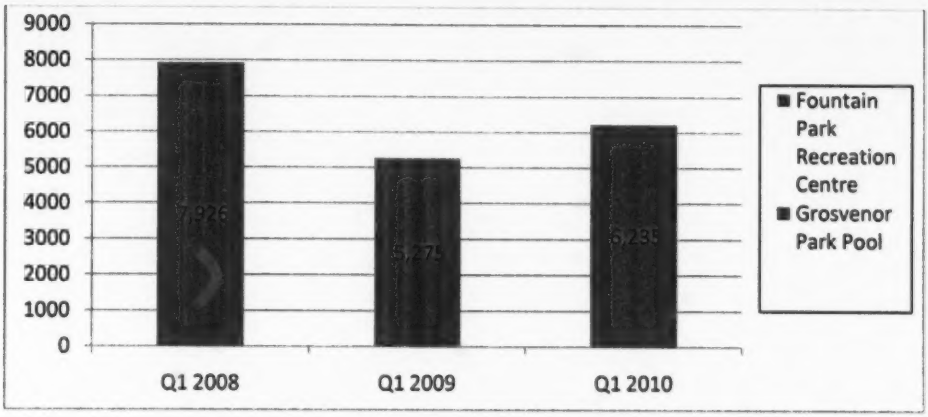
The highest attendance days were Feb 14th and Feb 15th with more than 1800 users, Mar 20 with 1,784 users and Mar 30 (during Spring Break week) with 1,940 users.

The increase in Water Play Centre users in Q1 2010 may correlate to the increase in family day admissions purchased.

Water Play Park Users



Servus Place Annual Member Swipes at Fountain Park Recreation Centre and Grosvenor Park Pool



In Q1 2010, member uses were recorded at 6,235 at Fountain Park Recreation Centre. Grosvenor Pool has been closed for the season. This is an 18.2% increase from the first quarter of 2009.

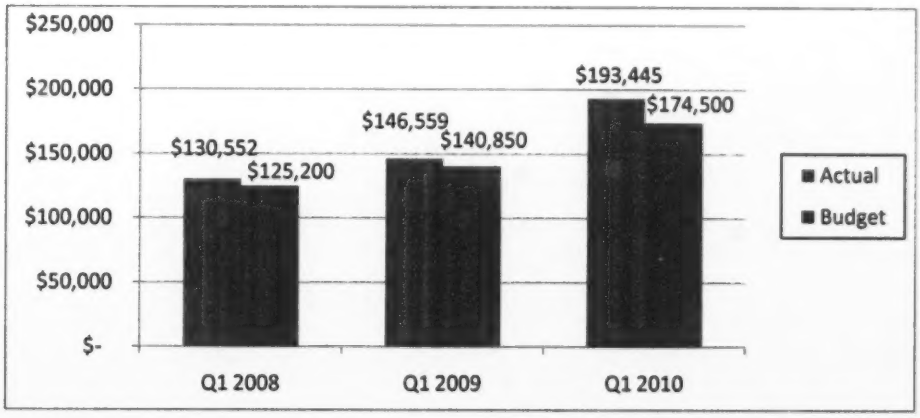
Lesson Fees

Lesson Fees	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Fitness	$ 119,488	$ 119,488	$ 139,967	$ 112,300	$ 27,667
Recreation	$ 35,737	$ 27,071	$ 53,478	$ 62,200	$ (8,722)
Net Revenue	**$ 130,552**	**$ 146,559**	**$ 193,445**	**$ 174,500**	**$ 18,945**

Fitness program revenues continue to be quite strong which can be attributed to a strong base of core programs combined with a strong variety of new program options. Recreation program revenues are under budget due to projected revenues occurring at different times of the year than originally anticipated.

The variance between 2009 and 2010 recreation progam lesson fees is due to the fact that in 2009, all City run recreation programming was moved to Servus Place. In 2010 revenue and expenses for these programs is now recognized in the Servus Place budget, whereas in 2009, it was recorded under a separate cost centre.

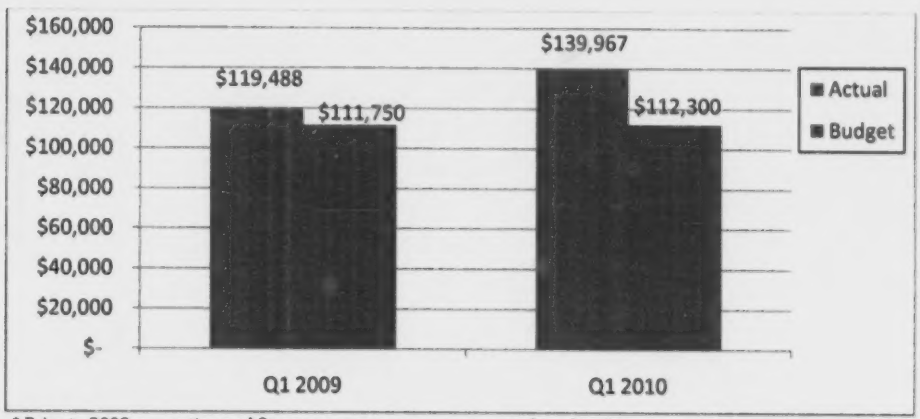
Lesson Fees Revenue



Fitness Programs

In Q1 2010 fitness program revenue is $139,967 which is 24.6% above budget and 17.1% over Q1 2009. This variance can be attributed to a strong base of core programs combined with a strong variety of new program options.

Fitness Program Revenue

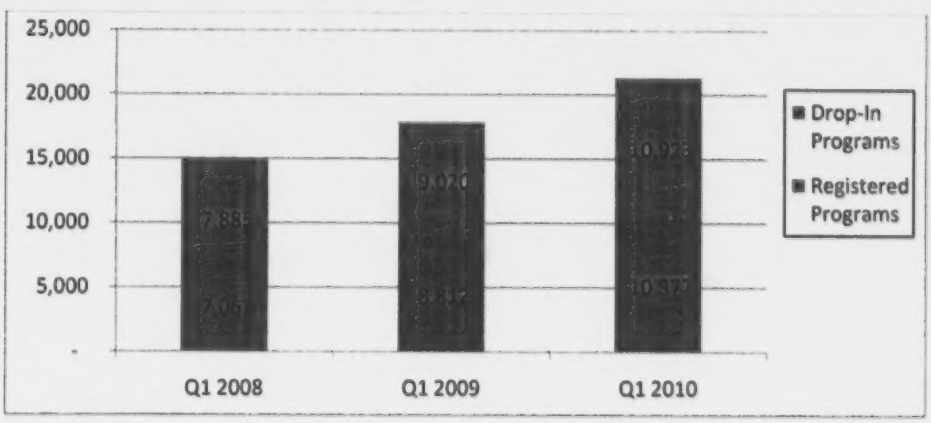


* Prior to 2009, recreation and fitness program revenue were combined in the same cost centre.

Popular registered fitness programs in Q1 2010 include all bootcamps, Bigger Loser, Zumba, TRX, Spin classes and Smart Start, Hatha, Power, and Prenatal Yoga

Popular drop-in fitness programs in Q1 2010 include Kick Box Bootcamp, Step Sets and Reps and Maximum Muscle.

Fitness Program Participants



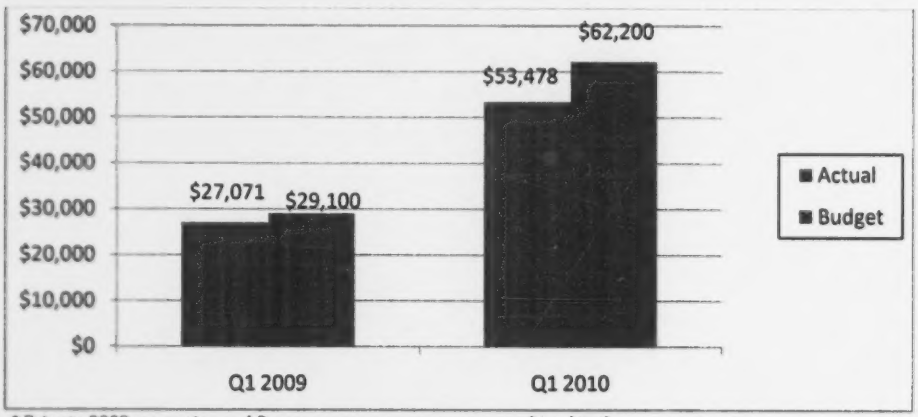
This quarter saw a fairly equal balance of both drop-in and registered fitness program participation with increases of 17% and 15% respectfully over Q1 2009. There were an average of 34 drop-in and 50 registered programs averaging 25.8 and 18.8 participants per class. Drop-in programs are included with membership to Servus Place and can be directly attributed to supporting the overall membership growth during the quarter.

Recreation Programs

Recreation program revenue is 97.5% above Q1 2009 due to the fact that in 2009, all City run recreation programming was moved to Servus Place. In 2010 revenue and expenses for these programs is now recognized in the Servus Place budget, whereas in 2009, it was recorded under a separate cost centre.

Recreation program revenue for Q1 2010 is $53,478, which is 14.0% below budget due to projected revenues occurring at different times of the year than originally anticipated.

Recreation Program Revenue



* Prior to 2009, recreation and fitness program revenue were combined in the same cost centre.

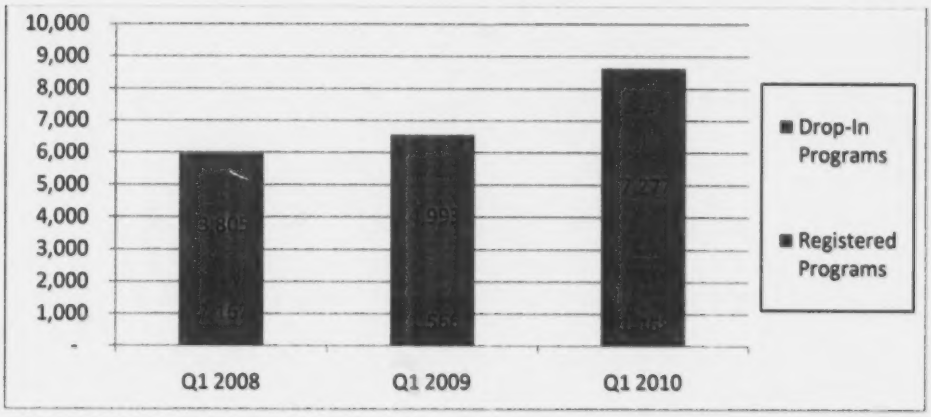
Servus Place Recreation Programs

Popular Servus Place drop-in recreation programs in Q1 2010 include Parent & Tot, 50+ Adult Shinny Hockey and drop-in basketball.

Popular Servus Place registered recreation programs in Q1 2010 include Doodles and Play and Learn.

Spring Break camps ran at 100% with 52 children taking part.

Participants in Servus Place Recreation Programs



The increases in drop-in program participation can be attributed to a more consistent drop-in schedule, and increases in both membership and day admission numbers.

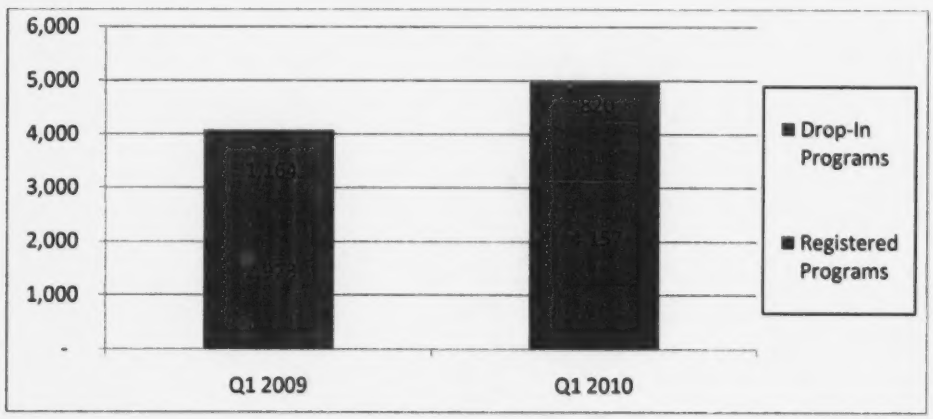
Community Recreation Programs

The decrease in Community drop-in participants is due to Shinny Hockey being held exclusively at Servus Place in 2010, whereas in 2008 and 2009, Shinny Hockey was held at Kinex Arena as well as at Servus Place.

There has been a substantial increase in Community registered program participants from Q1 2009 to Q1 2010. The increase is due to more programs being offered based on high demand in 2009.

The most popular community recreation programs were the Doodles, Play & Learn and Learn to Skate. Community public skating at Kinex Arena continues to be very popular and consistently attended as a very beneficial low cost community recreation opportunity.

Participants in Community Recreation Programs*



* Community recreation programs were taken over by Servus Place in 2009.

Rentals

Facility Rental Revenue	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Arenas	$ 185,682	$ 265,634	$ 244,965	$ 258,300	$ (13,335)
Fieldhouses	$ 101,373	$ 105,365	$ 131,809	$ 105,300	$ 26,509
Gyms	$ 16,884	$ 10,414	$ 11,648	$ 10,500	$ 1,148
Meeting rooms	$ 11,161	$ 15,965	$ 11,101	$ 14,700	$ (3,599)
Leaseholders	$ 32,121	$ 36,819	$ 58,425	$ 68,200	$ (9,775)
Parties	$ 10,697	$ 10,139	$ 8,539	$ 10,100	$ (1,561)
Refurbishment Charges*	$ -	$ -	$ 17,993	$ 8,000	$ 9,993
Total	**$ 357,918**	$ 444,337	**$ 484,479**	**$ 475,100**	**$ 9,379**

* In 2008 and 2009, refurbishment charges were not broken out separately but included in the rental revenue for each floorplate.

Skybox Grill restaurant opened on January 4 and Skybox Express opened on February 15.

In 2008 and 2009, refurbishment charges were included in the rental revenue for each floorplate. In 2010, the refurbishment charges are broken out separately from the rental revenue.

Q1 Special Events

- Women's Olympic Hockey Team vs. St. Albert Raiders – January 10
  - Sold out Event of 2100 spectators. Event included game, autograph session and VIP reception of 200 guests.
- John Reid Memorial Hockey Tournament – January 21 – 24
  - High profile tournament with 16 teams from western Canada and Los Angeles. A number of scouts were onsite throughout the tournament. Approx. 1800 spectators over 4 days.
- Minor Hockey Week Tournament – Jan 17 – 25
  - 154 teams participated in 77 games over 9 days. Approx. 6,500 spectators over 9 days.
- Jujie Luan Open Fencing Tournament – Jan 29 – 31
  - 220+ athletes from 8 years old to seniors from Canada, US, Hong Kong, Germany, Brazil and China. Largest Fencing Tournament in Western Canada. Approx. 450 spectators over 3 days.
- SASA Family Day Soccer Tournament – Feb 12 – 15
  - Organized by St. Albert Soccer for their association. Participants from 6 years to adult. Approx. attendance 2,000.
- Slush Cup Annual Indoor Soccer Tournament – March 5 – 7
  - Utilizes various centres throughout Edmonton and area. Participants from children to adult. Approx. attendance 1,200.
- Alberta Indoor Soccer Provincial Championships – March 19 – 21
  - First time held at our facility and organized through SASA. Approx. attendance 700.
- Alberta Novice Pee Wee Hockey Championships – March 25 – 28
  - 10 Teams from Alberta. Approximately 2000 spectators.

Prime time hours effective September 1, 2009 are explained in the chart below:

	Prime Time		Non Prime Times	
Days of the week	Monday, Tuesday, Wednesday, Thursday, Friday	Saturday, Sunday	Monday, Tuesday, Wednesday, Thursday, Friday	Saturday, Sunday
Times	4:30pm – 11:00pm	7:00am – 11:00pm	11:01am – 4:29pm	11:01am – 6:59am

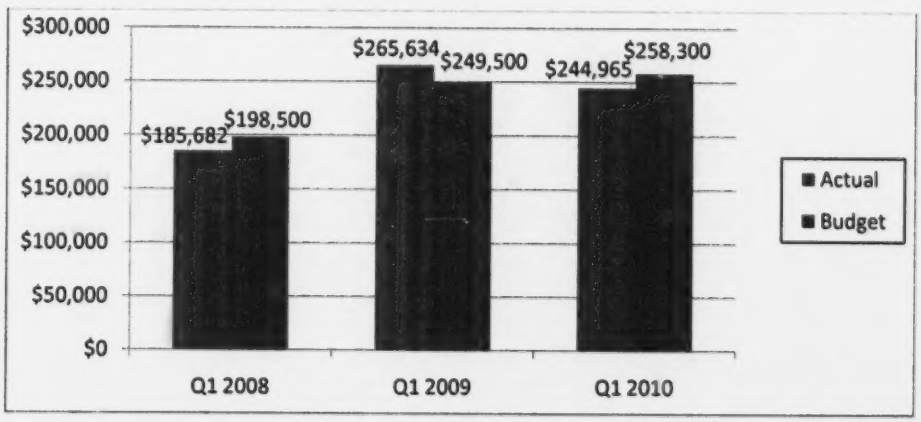
Arena

Arena	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Hours rented	2,086	2,236	2,418	2,156	262
Hours programmed/maint.	181	1,017	922	975	-53
Total hours used	2,268	3,253	3,340	3,131	209
Total hours available	4,477	4,988	5,076	4,845	231
% Utilized Total	**51%**	**65%**	**66%**	**65%**	**1%**
Prime time hours rented	1,637	1,795	1,867	1,720	147
Prime time Hours programmed/maint.	32	509	382	458	-76
Prime time hours used	1,669	2,304	2,249	2,178	71
Prime time hours available	2,226	2,821	2,497	2,650	-153
% Utilized Prime Time	**75%**	**82%**	**90%**	**82%**	**8%**
Revenue	**$ 185,682**	**$ 265,634**	**$ 244,965**	**$ 258,300**	**$(13,335)**

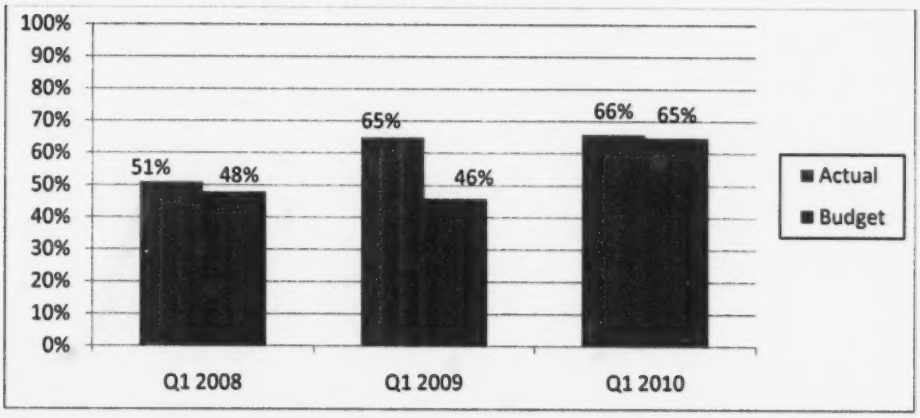
Arena rental revenue for Q1 2010 is slightly below budget due to a decrease in ice use at the end of March. The Q1 2009 revenues included three Edmonton Drillers games which contributed to higher revenues. The Drillers did not operate in the 2009/2010 season.

In 2008 and 2009, refurbishment charges were included in the rental revenue for each floorplate. In 2010, the refurbishment charges are broken out separately from the rental revenue.

Arena Rental Revenue

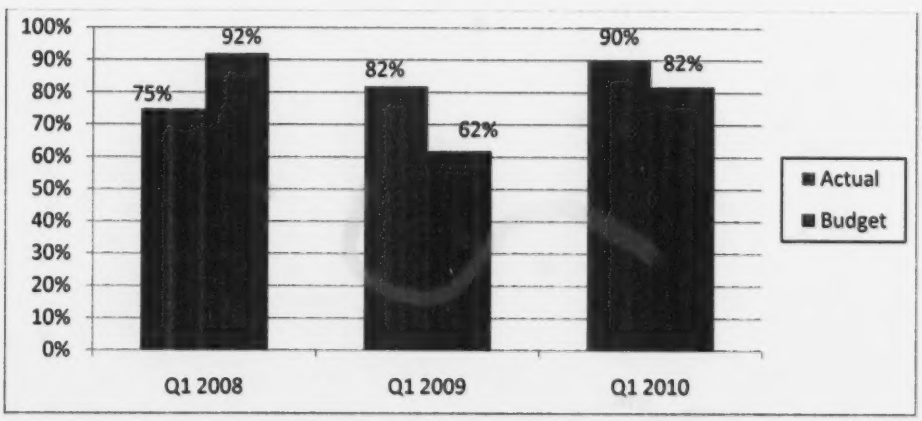


Arena Total Utilization



A large percentage of the regular hours utilized were done so by sport academies and Shinny Hockey, contributing to a high total utilization.

Arena Primetime Utilization



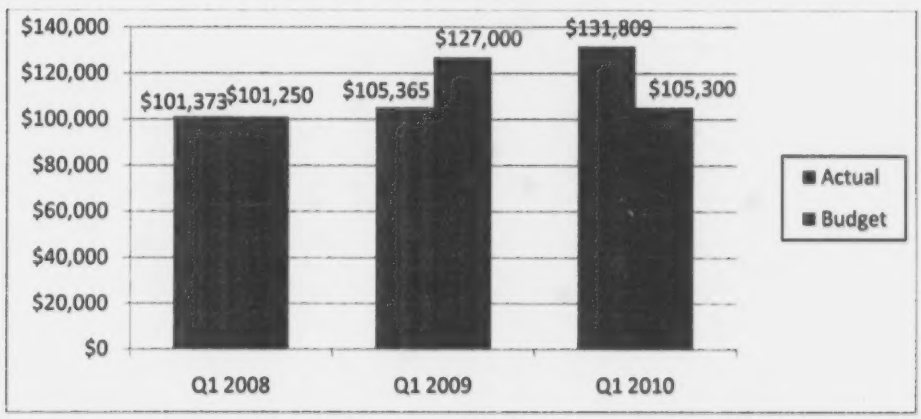
Fieldhouses

Fieldhouse	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Hours rented	1,193	1,152	1,358	1,135	223
Hours programmed/maint.	269	370	369	422	-53
Total hours used	1,462	1,522	1,727	1,557	170
Total hours available	2,982	2,982	3,199	3,157	42
% Utilized Total	**49%**	**51%**	**54%**	**49%**	**5%**
Prime time hours rented	937	987	1,152	987	165
Prime time Hours programmed/maint.	112	180	122	180	-58
Total Prime time hours used	1,049	1,167	1,274	1,167	107
Prime time hours available	1,484	1,589	1,639	1,589	50
% Utilized Prime Time	**71%**	**73%**	**78%**	**73%**	**4%**
Revenue	**$ 101,373**	**$ 105,365**	**$ 131,809**	**$ 105,300**	**$ 26,509**

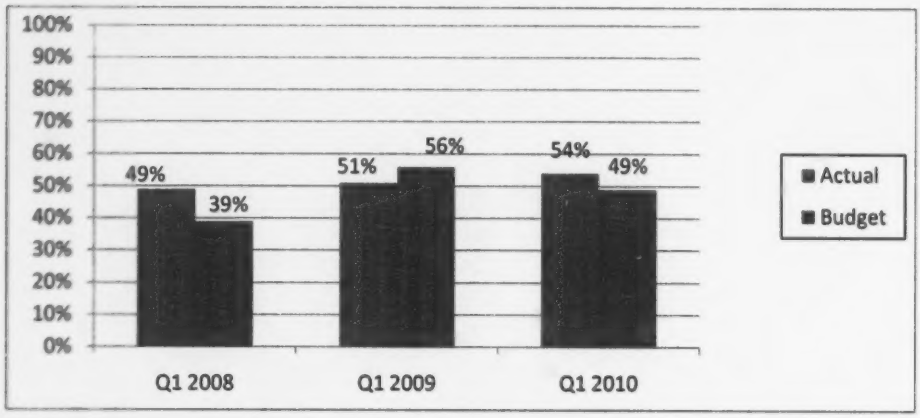
Fieldhouse rental revenue is significantly over budget for Q1 2010 due to higher use by baseball, fastball and lacrosse for pre-season activities, especially during the last part of March.

In 2008 and 2009, refurbishment charges were included in the rental revenue for each floorplate. In 2010, the refurbishment charges are broken out separately from the rental revenue.

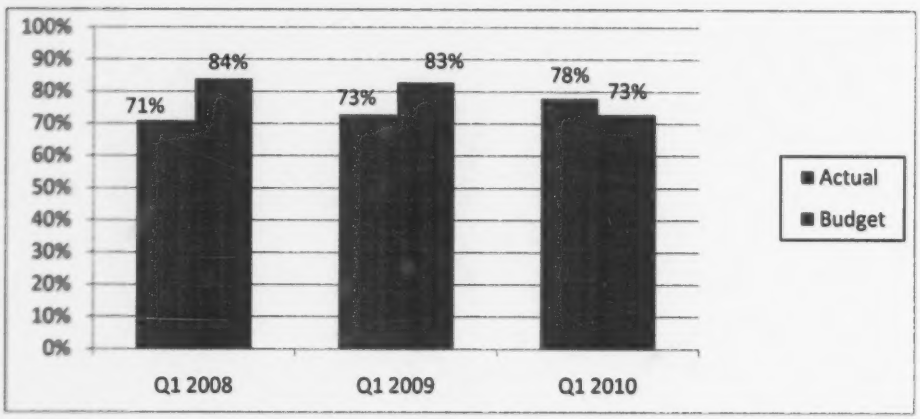
Fieldhouse Rental Revenue



Fieldhouse Total Utilization



Fieldhouse Primetime Utilization



Gyms

Gymnasiums	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Hours rented	357	288	297	288	9
Hours programmed/maint.	675	999	880	999	-119
Hours of spontaneous use	2,333	1,789	1,504	1,789	-285
Total hours used	**3,365**	**3,076**	**2,681**	**3,076**	**-395**
Total hours available	4,512	4,512	4,512	4,512	0
% Utilized Total	**75%**	**68%**	**59%**	**68%**	**-9%**
Prime time hours rented	320	250	229	250	-21
Prime time Hours programmed/maint.	133	528	576	528	48
Prime time hours of spontaneous use	1,051	969	768	969	-201
Total Prime time hours used	**1,504**	**1,747**	**1,573**	**1,747**	**-174**
Prime time hours available	2,076	2,384	2,304	2,384	-80
% Utilized Prime Time	**72%**	**73%**	**68%**	**73%**	**-5%**
Revenue	**$ 16,884**	**$ 10,414**	**$ 11,648**	**$ 10,500**	**$ 1,148**

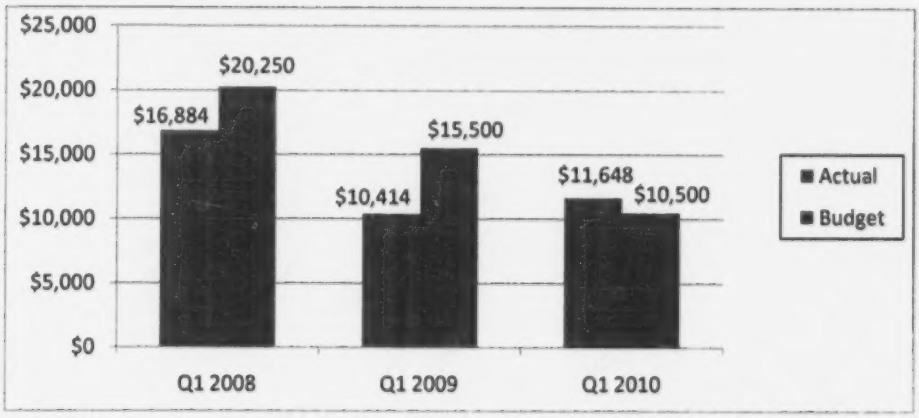
Gymnasium rental revenue for Q1 is higher than projections due to use by sport partners, SLAM basketball, and an increase in use by fastball with preseason sessions.

Gymnasium rental revenue is limited due to the availability of only one court for booking and limited demand from groups. Gymnasium rental revenue is only brought in on rental hours. Programmed, maintenance and spontaneous use does not bring revenue directly into facility rentals. Revenue for these hours is realized under program revenue or viewed as a benefit of membership or day admission.

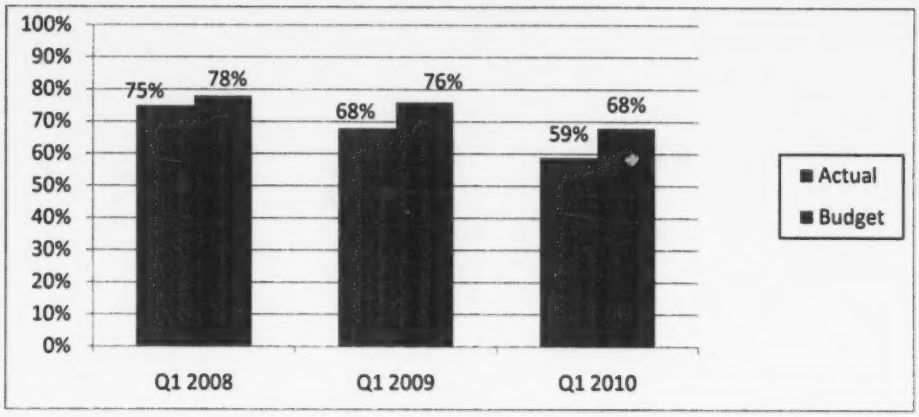
As membership and day admissions grow, there is increased use of the gymnasiums for drop-in and spontaneous activities. At times use of all three courts is required for spontaneous use.

In 2008 and 2009, refurbishment charges were not broken out separately but included in the rental revenue for each floorplate.

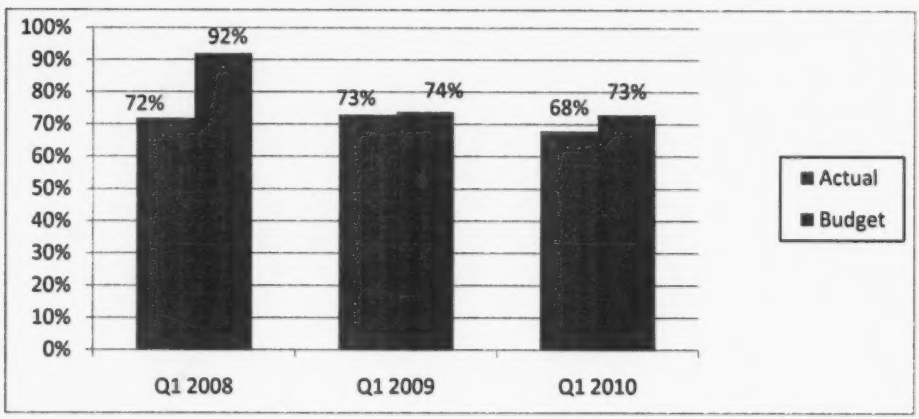
Gymnasium Rental Revenue



Gymnasium Total Utilization



Gymnasium Primetime Utilization



Advertising, Fundraising and Sponsorship

Advertising, Fundraising and Sponsorship Inventory	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Total Spaces Sold	N/A	N/A	112	137	-25
Total Complimentary Spaces	N/A	N/A	11	0	11
Total Internal Spaces	N/A	N/A	8	0	8
Total Spaces Used	142	133	131	137	-6
Total Space Available	197	197	197	197	0
% of Space Used	72%	68%	67%	70%	-3%

Q1 2010 Advertising Inventory

Advertising Fundraising and Sponsorship Inventory	Performance Arena	Mark Messier Arena	Troy Murray Arena	Sarasota fieldhouse	Pizza 73 fieldhouse	Community Gym	Information Boards	Akinsdale Arena	Total
Total Spaces Sold	33	21	16	15	10	4	0	15	112
Total Complimentary Spaces	1	1	2	0	1	0	0	4	11
Total Internal Spaces	2	1	1	1	2	0	0	1	8
Total Spaces Used	37	23	19	16	13	4	0	20	131
Total Space Available	56	29	29	22	22	4	6	29	150
% of Space Sold	65%	79%	66%	73%	59%	92%	0%	69%	87%

During the period of the Disneyland membership promotion which ran from December 2, 2009 – January 31, 2010, there were 659 new memberships sold in December 2009 and 1,541 new memberships in January 2010.

The Olympic torch was at Servus Place on January 12 from 5:30PM – 8:00PM with an opportunity for patrons to take a photo with the torch.

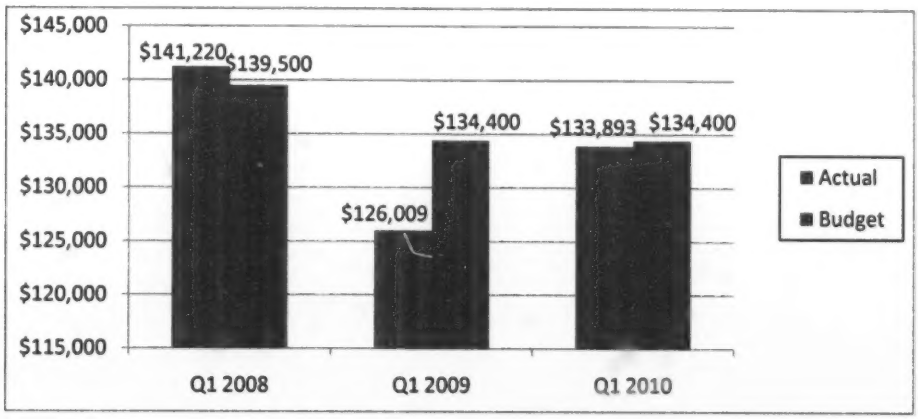
Servus Place Recreation staff participated in the Torch Event at City Hall providing children with an opportunity to participate in tobogganing, cross country skiing, tobogganing, shoe shoeing, snowboarding or to view a curling demonstration.

On February 15, Shaw Cable Systems came on as a new advertiser and sponsored Family Day activities.

Advertising, Fundraising and Sponsorship Revenue	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Advertising Revenue	$ 43,179	$ 31,009	$ 38,143	$ 38,600	$ (457)
Fundraising/Sponsorship	$ 98,040	$ 95,000	$ 95,750	$ 95,800	$ (50)
Total Revenue	**$ 141,220**	**$ 126,009**	**$ 133,893**	**$ 134,400**	**$ (507)**

Advertising, fundraising and sponsorship revenue for Q1 2010 is on budget.

Advertising and Sponsorship



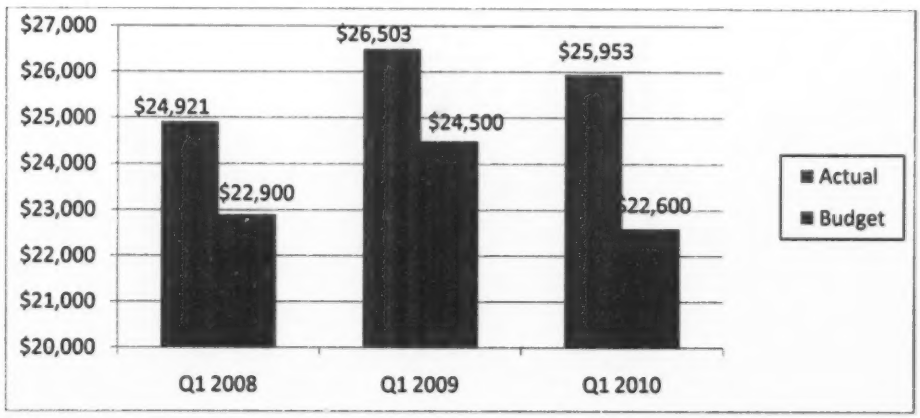
Commissions & Vending

Commissions and Vending	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Vending Commission	$ 15,399	$ 16,066	$ 15,845	$ 15,100	$ 745
Locker Total Revenue	$ 9,196	$ 8,894	$ 8,919	$ 7,500	$ 1,419
Guest Services	$ 327	$ 749	$ 466	$ -	$ 466
Miscellaneous	$ -	$ 794	$ 723	$ -	$ 723
Total Revenue	**$ 24,921**	**$ 26,503**	**$ 25,953**	**$ 22,600**	**$ 3,353**

Commissions and vending revenue is over budget in Q1 2010 due to higher than anticipated locker revenue and vending commission.

Vending commission is over budget for Q1 2010. The addition of the Skybox Grill and Express has not seen a significant impact on vending commission revenue as anticipated.

Commissions & Vending Revenue



Expense Analysis

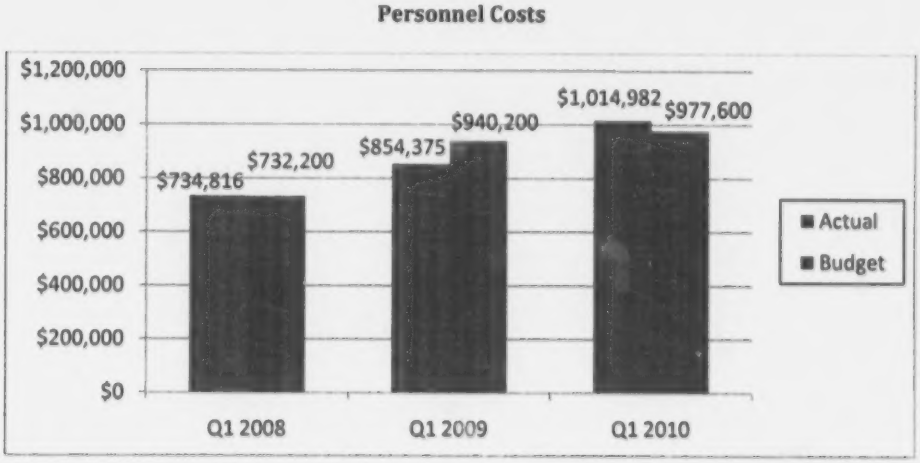
Total expenses for Q1 2010 are $1,883,118. Total expense variance for Q1 was $13,582 (-0.7%) below budget projections.

* Personnel Costs are above budget projections by $37,382 (3.8%).
* Contracted & General Services are above budget projections by $12,728 (7.3%).
* Utilities are below budget projections by $10,034 (-3.9%).
* Materials, Goods & Supplies are below budget projections by $23,037 (-20.7%).
* Transfer to Reserves is above budget by $9,993 (124.9%)
* Transfer to Operations - Aquatics is below budget projections by $39,930 (-21.7%).
* Transfer to Operations - Public Works is below budget projections by $684 (-0.4%).

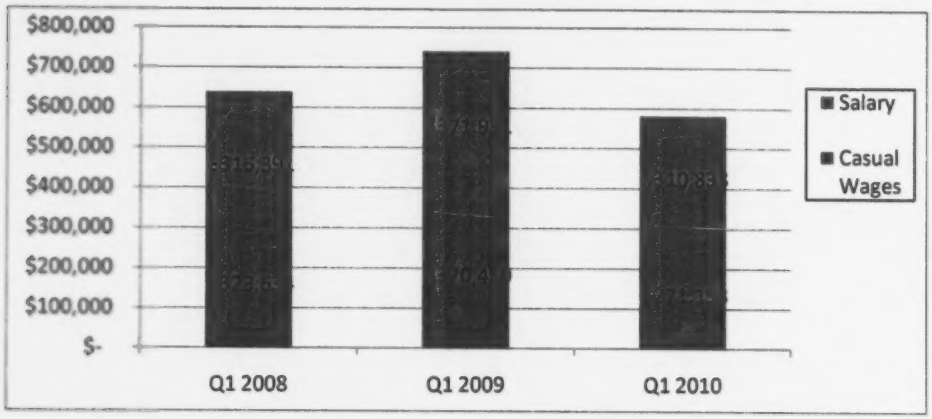
Personnel Costs

Personnel Costs	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Salary	$ 316,391	$ 371,931	$ 462,282	$ 472,000	$ (9,718)
Casual Wages	$ 323,634	$ 370,450	$ 417,781	$ 372,600	$ 45,181
Total Salary and Casual Wages	$ 640,025	$ 742,381	$ 880,063	$ 844,600	$ 35,463
Benefits	$ 94,791	$ 111,994	$ 134,919	$ 133,000	$ 1,919
Total Revenue	**$ 734,816**	**$ 854,375**	**$1,014,982**	**$ 977,600**	**$ 37,382**

Increase in casual wages is due in part to the increase in programs being run and the additional need for casual staff to support the many events that were held in Q1 2010 and to maintain the cleanliness of the facilty with increased traffic volumes.



Salaries & Casual Wages



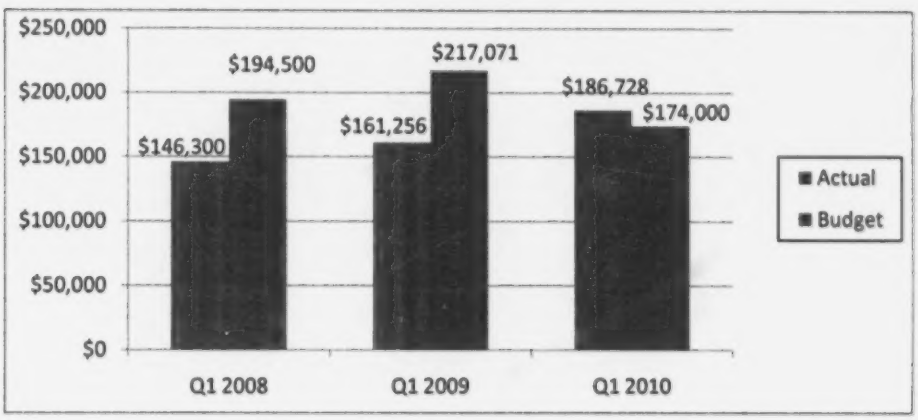
Personnel by Cost Centre	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Administration	$ 51,820	$ 55,920	$ 60,241	$ 57,300	$ 2,941
Operations	$ 130,973	$ 157,343	$ 238,974	$ 218,400	$ 20,574
Recreation	$ 259,371	$ 89,356	$ 118,772	$ 117,600	$ 1,172
Fitness	$ -	$ 161,184	$ 200,529	$ 179,400	$ 21,129
Marketing	$ 70,928	$ 26,583	$ 48,279	$ 51,100	$ (2,821)
Facility Bookings and Events	$ -	$ 59,448	$ 61,830	$ 60,600	$ 1,230
Guest Services	$ 126,933	$ 192,547	$ 151,438	$ 160,200	$ (8,762)
Subtotal	**$ 640,025**	**$ 742,381**	**$ 880,063**	**$ 844,600**	**$ 35,463**
Benefits	$ 94,791	$ 111,994	$ 134,919	$ 133,000	$ 1,919
Total Personnel Costs	**$ 734,816**	**$ 854,375**	**$ 1,014,982**	**$ 977,600**	**$ 37,382**

Contracted & General Services

Contracted & General Services	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
	$ 146,300	$ 161,256	$ 186,728	$ 174,000	$ 12,728

Contracted and general services are over budget by $12,278 due to increased expenses relating to Advertising & Promotion and decreased spending in Development & Training. Servus Place anticipates that these accounts will come in on budget for 2010.

Contracted & General Services Expenses



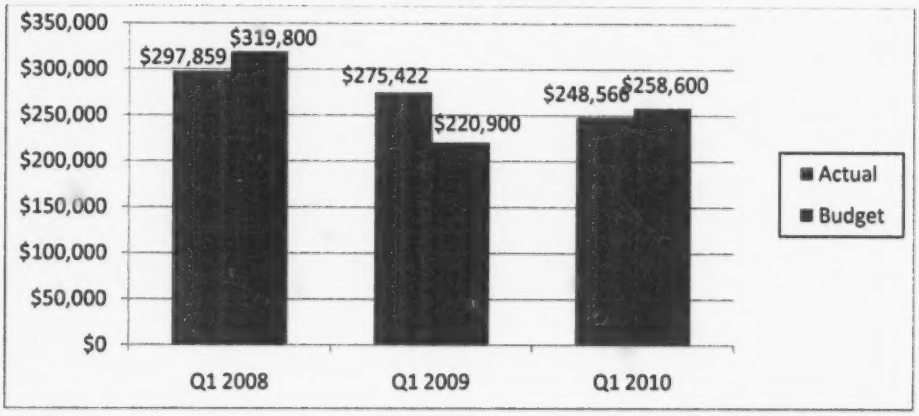
Utilities

Utilities	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Natural Gas	$ 115,103	$ 114,546	$ 94,683	$ 99,800	$ (5,117)
Water, Wastewater and Solid Waste	$ 16,601	$ 16,692	$ 21,477	$ 23,600	$ (2,123)
Electricity	$ 125,908	$ 139,451	$ 128,200	$ 129,300	$ (1,100)
Telephone and Cable	$ 40,247	$ 4,733	$ 4,206	$ 5,900	$ (1,694)
Total	**$ 297,859**	**$ 275,422**	**$ 248,566**	**$ 258,600**	**$ (10,034)**

The variance in utility costs for Q1 2010 is due primarily to the decrease in the cost of natural gas.

The 2010 utilities indicated above are based on estimates due to the delay between receiving the utility bills and the monthly reporting. When the bills are received all previously used estimates will be updated with the actuals.

Utilities Expenses (Gas, Water and Electricity)

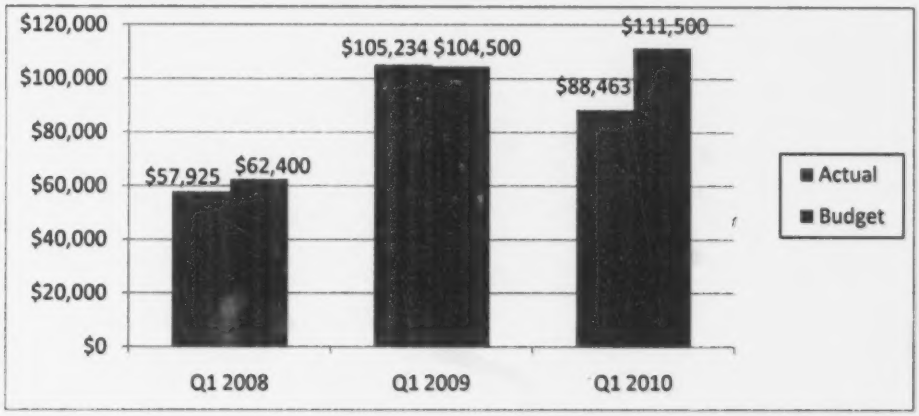


Materials, Goods & Supplies

Materials, Goods & Supplies	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
	$ 57,925	$ 105,234	$ 88,463	$ 111,500	$ (23,037)

Materials, goods and supplies are under budget by $23,037 due to decreased expenses in operating and program supplies and uniforms and equipment. Servus Place anticipates that these accounts will come in close to budget for 2010.

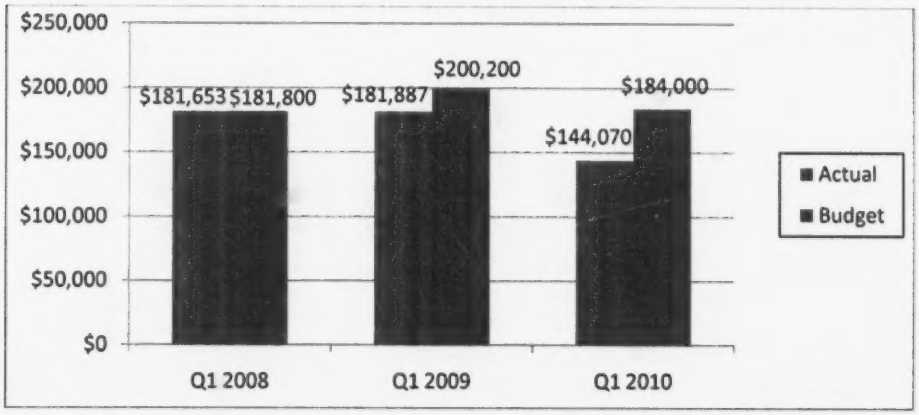
Materials, Good & Supplies Expenses



Transfer to Aquatics, Public Works & Corporate Services

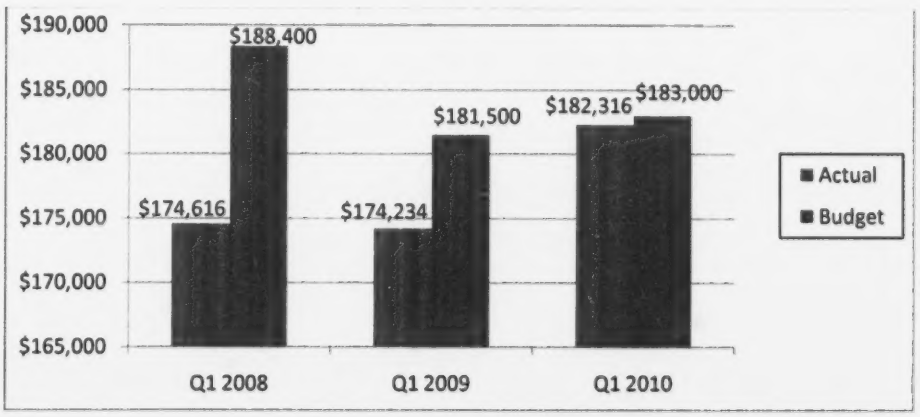
Internal Contracts	Q1 2008 Actual	Q1 2009 Actual	Q1 2010 Actual	Q1 2010 Budget	Q1 2010 Variance
Aquatics Internal Contracts	$ 181,653	$ 181,887	$ 144,070	$ 184,000	$ (39,930)
Public Works Internal Contracts	$ 174,616	$ 174,234	$ 182,316	$ 183,000	$ (684)
Total Internal Contracts	**$ 356,269**	**$ 356,121**	**$ 326,386**	**$ 367,000**	**$ (40,614)**

Aquatics Internal Contracts



The variance in aquatics internal contracts is due to timing of initiatives. The variance in aquatics internal contracts are anticipated to be caught up on in Q2.

Public Works Internal Contracts



Transfer to public works internal contracts is on budget for Q1 2010.

2010 Lifecycle, Capital and Infrastructure Report

Lifecycle Project	Estimated Completion Date	Status
Landscaping	September 01, 2010	Under review
Painting within facility	August 01, 2010	5% completed
Refinish cedar walls in arenas	September 01, 2010	Project to start in May
Replacement of tack & white boards	July 01, 2010	In progress
Replacement of interior signage	December 31, 2010	Signage audit underway
Replacement of ice melt system in Campbell arena	May 31, 2010	Getting quotes
Replacement of plumbing fixtures	July 31, 2010	50% complete

Capital Projects 2010	Estimated Completion Date	Status
Servus Place Fitness and Wellness Expansion- Phase 1 Functional plan and conceptual design	July 2010	RFP went out for the Functional Planning-Conceptual Design for Fitness-Wellness Centre Expansion and CEI Architecture Planning Interiors has been hired to complete the study.
Arena railing system	July 01, 2010	Getting quotes
Pulastic floor study	August 2010	Start in May 2010
Additional security cameras	July 2012	Start December 2010
Water Play Centre Murals	2011	Deferred to 2011 due to timing of the Art in Public Places process and the annual pool shutdown.